

# L SELECT

**An investment company with variable capital (*Société d'investissement à capital variable*, “SICAV”) organised and existing under the laws of Luxembourg, set-up as an umbrella structure and qualifies as a self-managed SICAV in accordance with article 27 of the Luxembourg law of 17 December 2010 on undertakings for investment collective**

## **SIMPLIFIED PROSPECTUS 14 December 2011**

**A SICAV incorporated and existing under the laws of Luxembourg of 17 December 2010 for an unlimited term**

Terms used but not defined in this document shall have the same meaning as in the L Select (the “**Company**”) prospectus.

The simplified prospectus only contains descriptions of key features of the Company. For further information in the form of the last full prospectus (the “**Prospectus**”), together with the latest interim and annual reports which describe the Company’s objectives in full, its costs, expenses, risks and other information, please contact your financial adviser. Alternatively, you can obtain all of this documentation from the following address: **33, rue de Gasperich, L-5826 Hesperange, Grand-Duchy of Luxembourg**. All of these documents are available to the general public, free of charge, during business hours.

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### **KEY INFORMATION**

#### **Legal Structure:**

SICAV (*Société d'Investissement à Capital Variable – Open ended investment company*), set-up as self-managed SICAV subject to Part I of the Luxembourg law of 17 December 2010 on undertakings for collective investments (the “**Law**”) set-up as an umbrella structure and qualifies as a self-managed SICAV in accordance with article 27 of the Law.

#### **Promoter:**

Edgewood Management LLC  
350 Park Avenue, 18<sup>th</sup> Floor  
New York, NY 10022

#### **Investment Advisers and Managers:**

For the US SELECT GROWTH sub-fund  
Edgewood Management LLC  
350 Park Avenue, 18<sup>th</sup> Floor  
New York, NY 10022

#### **Depository Bank, Domiciliation Agent, Registrar and Transfer and Paying Agent:**

BNP Paribas Securities Services, Luxembourg Branch  
33, Rue de Gasperich  
L-5826 Hesperange

#### **Administrative Agent:**

BNP Paribas Securities Services, Luxembourg Branch  
33, Rue de Gasperich  
L-5826 Hesperange

#### **Authorised Auditor<sup>1</sup>:**

PricewaterhouseCoopers S.à r.l.  
400, Route d'Esch  
L-1471 Luxembourg

#### **Supervisory Body:**

The *Commission de Surveillance du Secteur Financier* [www.cssf.lu](http://www.cssf.lu) (Luxembourg Financial Sector Supervisory Authority)

#### **Legal Adviser:**

Arendt & Medernach  
14, Rue Erasme  
L-2082 Luxembourg

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<sup>1</sup> NdT Luxembourg ‘réviseur d’entreprises’

### **Information concerning net asset values**

The net asset value per share of each sub-fund, category and/or class of shares is determined in Luxembourg by the Administrative Agent, under the responsibility of the Company's Board of Directors, on each Valuation Day, as indicated in the fact sheet for each sub-fund (hereafter, the sub-fund schedule) and at least twice per month. If this day is a public holiday in Luxembourg, the net values of the sub-fund(s), categories and/or classes of shares shall be calculated on the next bank business day.

Net asset values are expressed in the reference currency of the sub-fund in question. When a category is denominated in an alternative currency, the net asset value is expressed in the alternative currency as defined in the sub-fund schedule for the sub-fund offering this alternative currency category.

The net asset value of this kind of alternative currency category is calculated in the reference currency of the sub-fund concerned. However, the net asset value per share of the alternative currency category in question is expressed in the currency in which this alternative currency category is denominated.

To calculate the net asset value in the currency in which an alternative currency category is denominated, the net asset value of the category concerned shall be converted from the reference currency of the sub-fund into the currency in which this alternative currency category is denominated, at the average market exchange rate between the reference currency of the sub-fund and the currency in which the alternative currency category is denominated.

The value of the shares of each sub-fund is obtained by dividing the net asset value of the sub-fund in question by the number of shares of this sub-fund in circulation.

If the sub-fund in question comprises more than one category and/or class of shares, the fraction of the net asset value corresponding to each category and/or class shall be divided by the number of shares issued in each of these categories or classes.

### **Subscription, Redemption and Conversion of shares**

The shares of each sub-fund, category and/or class of shares of the Company are issued, redeemed or converted at a price determined at intervals as specified in the sub-fund schedule. Irrespective of the sub-fund they represent, shares are either registered or bearer shares, at the shareholder's option.

### **For the time being, the Company offers shares in one sub-fund.**

#### **Subscriptions:**

Subscription applications may be made on any business day to the Company, the Depository Bank or at the

counters of other institutions appointed by the Depository Bank where Prospectuses with subscription application forms are available.

The subscription lists are closed at the date and time specified in the sub-fund schedule. Any subscription application received after the set time shall automatically be treated as if it had been received on the following bank business day.

The subscription price is equal to the net asset value determined in conformity with chapter V of the Prospectus, 'Net Asset Value', plus any subscription fees in accordance with the rates specified in the sub-fund schedule. Any change to the fees set out in the sub-fund schedule must be authorised by the Board of Directors. This change shall be noted in the annual report and the sub-fund schedule shall be updated.

Payment for shares subscribed is made in the reference currency of the sub-fund, the category and/or the class of shares in which the investor wishes to invest, within **five working days** following calculation of the subscription price.

#### **Redemptions:**

All shareholders may at any time redeem some or all of their shares for cash. Redemption requests, which are irrevocable, should be sent either to the Depository Bank, to the counters of other institutions appointed by the Company, or to the Company's registered office. Each request must provide the following information: identity and exact address of the person requesting the redemption, stating the number of shares to be redeemed, the sub-fund, the category and/or class of shares represented by these shares, whether they are registered or bearer shares, and the name of the person appointed to receive the payment. The redemption lists are closed at the date and time specified in each sub-fund schedule. Redemption applications received after the set time shall automatically be treated as if they had been received on the following bank business day. The redemption price of the shares shall be paid in the currency in which the sub-fund, the category and/or class of shares concerned is denominated. For each share tendered, the amount payable to the shareholder is equal to the net asset value of the sub-fund, the category and/or class of shares concerned, determined on the first date of calculation of the net asset value following receipt of the redemption request, less any fees as specified in the sub-fund schedule. The redemption value may be higher than, lower than or equal to the purchase value. Proceeds of the redemption shall be paid within five working days of calculation of the redemption value.

## Conversion:

All shareholders may request conversion, within a sub-fund or between sub-funds, of part or all of their shares of a given category and/or class of shares into shares of another or the same category and/or class, by making their request in writing, by telex or by fax to the Depository Bank or the other institutions appointed by the Company, indicating whether the shares to be converted and the shares of the new sub-fund to be issued are or must be (i) registered or bearer and (ii) class 'D' or class 'C', and if necessary the category to which the shares correspond. Unless specified to the contrary, shares shall be converted into shares of the same category and class. Conversion lists are closed at the same time as subscription and redemption lists. The conversion request must where necessary include the bearer's share certificate together with all unmatured coupons, or a duly completed share transfer form, or all the documents required for a transfer. Subject to suspension of calculation of the net asset value, shares may be converted on each Valuation Day following receipt of the conversion request, based on the net asset value of the shares of the relevant sub-funds, categories and/or classes of shares calculated on said Valuation Day.

## Distribution Policy:

The shareholders' annual general meeting (the "AGM") votes, on a proposal by the Board of

Directors, on the allocation of net profits for the year based on the accounts for the period ending on the 31<sup>st</sup> December of each year. It may decide to distribute to class 'D' shares their share of net income from investments together with realised or unrealised capital gains, less any realised or unrealised capital losses. Furthermore, income reverting to class 'C' shares shall be reinvested in these same shares. The AGM reserves the right to have the option of distributing the net assets of each of the Company's sub-funds, categories and/or classes of shares up to the legal minimum capital requirement. The type of distribution shall be specified in the Company's financial statements. Any resolution by the AGM concerning distribution of dividends to shareholders of a sub-fund, category and/or class of shares, must be approved beforehand by the shareholders of said sub-fund, category or class of shares by a majority vote, as specified in the Company's Articles of Association. The Board of Directors may decide to pay interim dividends to class 'D' shares, and reinvest income reverting to class 'C' shares.

## Stock Market Listing

The shares of each of the Company's sub-funds, categories and/or classes of shares may, at the discretion of the Board of Directors, be admitted for official listing on the *Bourse de Luxembourg* (Luxembourg Stock Exchange), as specified in each sub-fund schedule.

## FINANCIAL INFORMATION

### Tax Status

#### Taxation of the Company

The Company is subject to the tax laws of Luxembourg. Under current law and practice, the Company is not liable to any Luxembourg income or net wealth tax, nor are dividends paid by the Company liable to any Luxembourg withholding tax. In accordance with current legislation and regulations, the Company is liable for registration tax at the annual rate of 0.05% (*except for sub-funds which may qualify for the reduced annual tax rate of 0.01%, as specified in each sub-fund schedule*), assessed and payable quarterly, based on the net value of the Company's assets at the end of the quarter in question. No duties or taxes shall be payable in Luxembourg on issues of the Company's shares except for the fixed duty payable at the time of incorporation, covering raising of capital. The amount of this duty is €1,250.-. Any amendments to the Articles of association are as a rule subject to a fixed registration duty of €75.-. Income received by the Company from abroad may have been subject to withholding tax in the country of origin, and are consequently received by the Company after deduction of said withholding tax, which cannot be charged or recovered. No stamp duty or other tax is currently

payable in Luxembourg on the issue of shares by the Company.

#### Taxation of the Company's Shareholders

Under the current system, neither the Company nor its shareholders (except for residents of Luxembourg or individuals and legal entities previously resident or having their registered office or a permanent establishment in the grand Duchy of Luxembourg) are liable for any tax or withholding tax on their income, realised or unrealised capital gains, share transfers in the event of death, or distribution in the event of dissolution.

However, shareholders' attention is drawn to the following paragraph:

Non-resident investors should also note that under Council Directive 2003/48/EC regarding the taxation of savings income (the "EU Savings Directive"), interest payments made by the Company or its Paying Agent to individuals and residual entities (i.e. entities: (a) without legal personality (save for (i) a Finnish avoin yhtiö and kommandiittiyhtiö/öppet bolag and kommanditbolag and (ii) a Swedish handelsbolag and kommanditbolag); (b) whose profits are not taxed

under the general arrangements for the business taxation; and (c) that are not, or have not opted to be considered as, UCITS recognised in accordance with Council Directive 2009/65/EC) resident or established in the EU or an associated or dependent territory (i.e. Aruba, British Virgin Islands, Guernsey, Isle of Man, Jersey, Montserrat as well as the former Netherlands Antilles, i.e. Bonaire, Curaçao, Saba, Sint Eustatius and Sint Maarten) may be subject to a withholding tax in Luxembourg unless the beneficiary opts for an exchange of information whereby the tax authorities of the state of residence are informed of the payment thereof. As at the date of this Prospectus, the rate of such withholding tax is 35%. This withholding tax applies to (i) distributions of profits by the Company derived from interest payments (unless the Company's investment in debt claims does not exceed 15%) and (ii) income realised upon the sale, refund or redemption of Shares if the Company invests directly or indirectly more than 25% of its net assets in debt claims and to the extent such income corresponds to gains directly or indirectly derived from interest payments. The current revision draft of the EU Savings Directive extends the provisions of the EU Savings Directive to interest payments made under certain innovative financial products. Investors should inform themselves of, and where appropriate take advice on, the impact of the EU Savings Directive, once amended, on their investment. Potential shareholders are therefore advised to enquire and if necessary seek advice in respect of the laws and regulations (such as those governing taxation and currency controls) applicable to the subscription, purchase, holding and sale of shares in their country of origin, residence and/or domicile.

**Expenses to be borne by the Company:**

The Company shall be responsible for the payment of:

- set up costs, including the costs of requisite procedures for incorporation of the Company, its flotation on the Stock Market and its authorisation by the competent authorities as well as, where applicable, the cost of printing certificates.
- the authorised auditors' costs and fees;
- the costs of publications and information for the shareholders, and the costs of translating, printing and distributing interim reports, Prospectuses and brochures;
- brokerage fees and fees incurred by transactions in the portfolio's securities;
- any duties and taxes due on income;
- the registration tax together with royalties due to the supervisory authorities and costs related to distributions of dividends;
- advisers' costs and other exceptional costs such as those incurred for expert opinions or court proceedings necessary to protect shareholders' interests;
- annual stock market listing fees, where applicable.

These costs and expenses shall be paid from the assets of the various sub-funds pro rata their net assets.

In payment for the services of depository bank, paying agent and domiciliation agent provided to the Company, the Depository Bank shall receive the following fees from the Company:

For the 'US SELECT GROWTH' sub-fund

- The Depository Bank shall be paid an annual fee of up to 0.15%, based on the average quarterly Net Asset Value of the Sub-Fund.

In payment for the services of administrative agent, transfer agent and registrar (accounting, book-keeping, calculation of net asset values, registration functions, secretarial support) provided to the Company, the Administrative Agent shall receive the following fees from the Company:

For the 'US SELECT GROWTH' sub-fund

- The Administrative Agent shall be paid an annual fee of up to 0.05%, based on the average quarterly Net Asset Value of the Sub-Fund.

Furthermore, any reasonable expenses and costs advanced, including but not limited to, telephone, telex, telegram, and carriage costs incurred by the Depository Bank and the Administrative Agent in the course of purchases and sales of securities for the Company's portfolio, together with correspondents' charges, shall be borne by the relevant sub-fund of the Company. As paying agent, the Depository Bank may deduct its usual fee.

In accordance with the investment advice and/or management agreements concluded by the Company with the investment adviser(s) and/or Manager(s), the Company shall pay them an investment advice and/or management fee in conformity with the rates indicated in the sub-fund schedules.

The Investment Advisers and/or Managers may conclude agreements with brokers, under which the brokers provide certain services ('soft commissions'). Payment of any soft commission shall be noted in the Company's financial statements.

Investment Advisers and/or Managers are only entitled to these services ("soft commissions") in the following circumstances: (i) the Investment Advisers and/or Managers must act at all times in the Company's best interests whenever they conclude such agreements; (ii) the services provided must relate directly to the Investment Advisers' and/or Managers' activities; (iii) brokerage fees on transactions affecting the Company's portfolio may only be attributed by the Investment Advisers and/or Managers to dealing brokers that are legal entities and not to private individuals, and (iv) the Investment Advisers and/or Managers must provide the administrators with reports concerning the soft commission agreements concluded with the brokers, including details of the type of services provided.

**Expenses to be borne by the Shareholder:**

- a) **Standard subscription:** Shares are issued at a price corresponding to the net asset value per share, without any entrance fee, unless stated otherwise in each sub-fund schedule.
- b) **Redemption procedure:** The redemption price of the Company's shares may be higher or lower than the purchase price paid by the shareholder at the time of subscription, depending on whether the net asset value has

increased or decreased, without any exit fee, unless stated otherwise in each sub-fund schedule.

- c) **Share conversion:** The basis for conversion is linked to the respective net asset values per share of the two sub-funds or categories or classes concerned, without any conversion fee, unless stated otherwise in each sub-fund schedule.

<b>ADDITIONAL INFORMATION</b>
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**Documentation available to shareholders**

The Company is registered at the Trade and Company Register held by the *Tribunal d'Arrondissement* (District Court) of and in Luxembourg under no. B-57.507. The Company's Articles of Association have been filed there, are available for consultation, and copies may be obtained.

A copy of the Articles of Association, the full Prospectus, the simplified prospectus, and financial statements (interim report and revised annual report) may be obtained free of charge from the Company's registered office and from the Depository Bank.

The following agreements will be made available for consultation to the shareholders only at the registered office of the Company:

- 1) the depository bank's and the paying agent's agreement effective as of 31 July 2006
- 2) the administrative agent's agreement effective as of 14 December 2011
- 3) the investment advice and management agreement between the Company and Edgewood Management LLC effective as of 14 December 2011
- 4) the distribution agreement concluded between the Company and HSBC Private Bank France effective as of 14 December 2011

The abovementioned agreements may be amended by mutual agreement between the parties concerned.

**Complaints Handling**

The details of the Company's complaint handling procedures may be obtained free of charge during normal office hours at the registered office of the Company in Luxembourg.

**Best Execution**

The Company's best execution policy sets out the basis upon which the Company will effect transactions and place orders in relation to the Company whilst complying with its obligations under the CSSF Regulation No. 10-4 and the CSSF Circular 11/508 to obtain the best possible result for the Company and its Shareholders. Details of the Company's best execution policy may be obtained free of charge during normal office hours at the registered office of the Company in Luxembourg.

**Strategy for the Exercise of Voting Rights**

The Company has a strategy for determining when and how voting rights attached to ownership of the Company's investments are to be exercised for the exclusive benefit of the Company. A summary of this strategy as well as the details of the actions taken on the basis of this strategy in relation to each Sub-Fund may be obtained free of charge during normal office hours at the registered office of the Company in Luxembourg and is available on the Company's website at [www.lselectfund.com](http://www.lselectfund.com).

## SUB-FUND SCHEDULE

### US SELECT GROWTH

#### **Investment Strategy**

The principal objective of the 'US SELECT GROWTH' sub-fund (denominated in USD) shall be to offer shareholders the option of benefiting from 'professional' management of portfolios of equities and similar securities (especially subscription rights to convertible bonds) issued by international companies, principally businesses in the United States of America, North America and Europe considered by the Company to be stable, of high quality and demonstrating global growth prospects. In pursuit of this objective the sub-fund's assets shall be invested in particular in US common stock (securities issued by companies whose registered office is located in the United States or whose main economic activities are based in the United States or which hold, as holding companies, prominent participations in companies based in the United States) which shall at all times represent at least 2/3 of the US Select Growth sub-fund's total assets.

The Company applies the strictest selection criteria in order to ensure that only businesses of quality are chosen. These criteria are, among others, market share, unit growth, barriers to entry to the market that the business can impose on the sector in question, a track record of growth and profitability, production costs in comparison to the relevant business sector, government regulations, use of debt and quality of management.

The sub-fund shall invest principally in securities that are undervalued in relation to their potential, in order to generate profits. Derivatives shall be used solely for the purpose of hedging. Collective investment schemes (UCITS and UCIs) shall not comprise more than 10% of the sub-funds net assets at any time.

This sub-fund uses the commitment approach to monitor and measure the global exposure.

#### **Risk profile**

Focusing as it does on international equity and fixed-income markets, the investment strategy of this sub-fund presents a significant degree of risk because of the volatility of these markets and exposure to interest rate risk. The sub-fund may also incur additional risks linked to foreign investments and derivatives.

#### **Investor profile**

This sub-fund is suitable for investors seeking long term capital growth through diversified international

investment exposed principally to equity and fixed-income markets.

#### **Disclaimer**

Past performances are not an indicator of future performance. The sub-fund is exposed mainly to risks linked to investments in equities and bonds. The value of the assets in which the sub-fund invests may go down as well as up. Consequently there is no guarantee that investors will get back their original investment. No guarantee can be given that the sub-fund will achieve its investment objectives.

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#### **Investment Adviser and Manager:**

Edgewood Management LLC  
350 Park Avenue, 18<sup>th</sup> Floor  
New York, NY 10022

#### **Sub-fund reference currency**

The net asset value of this sub-fund is denominated in USD.

#### **Frequency of calculation of net asset value ("NAV"):**

Daily. Each bank business day simultaneously in Luxembourg and the United States.

#### **Listing on the Luxembourg Stock Market**

The shares of this sub-fund are not listed on the Luxembourg Stock Market.

#### **Classes of Shares**

In addition to the category of shares denominated in USD (USD category), an alternative currency category denominated in euros (category EUR H) shall also be issued within this sub-fund (details of these categories are shown in the table below). These

categories are divided into sub-categories of shares, "I" reserved for institutional investors and "A" reserved for private investors. Furthermore, within each category or sub-category, shares shall be either capitalisation ("C") or distribution ("D") shares. Fractions of shares up to 3 decimal points may be issued. Investors should note that the US SELECT GROWTH sub-fund hedges the exposure to currency risk of the category denominated in euro (category EUR H) at a level of at least 80%.

Consequently the shares of this category have a different net asset value from the shares denominated in the reference currency of the sub-fund.

#### **Financial Management Fee paid to the Investment Adviser and Manager:**

1.8% p.a. of the sub-fund's assets for shares of sub-category "A" and 1.4% for shares of sub-category "I", calculated and paid quarterly on the basis of the sub-funds daily net assets.

#### **Performance-based fee and Benchmark:**

None

Category	Sub-category	Class	Currency	Investment Advice and Management fee	Subscription fee	Redemption fee
USD	I	C and D	USD	1.40%	Maximum 3%	none
EUR H	A	C and D	EUR	1.80%	Maximum 3%	none
USD	A	C and D	USD	1.80%	Maximum 3%	none
EUR H	I	C and D	EUR	1.40%	Maximum 3%	none
EUR	I	C and D	EUR	1.40%	Maximum 3%	none
EUR	A	C and D	EUR	1.80%	Maximum 3%	none

**Subscription/Redemption/Conversion**

Subscription Fees: up to 3 % of the NAV in favour of financial intermediaries

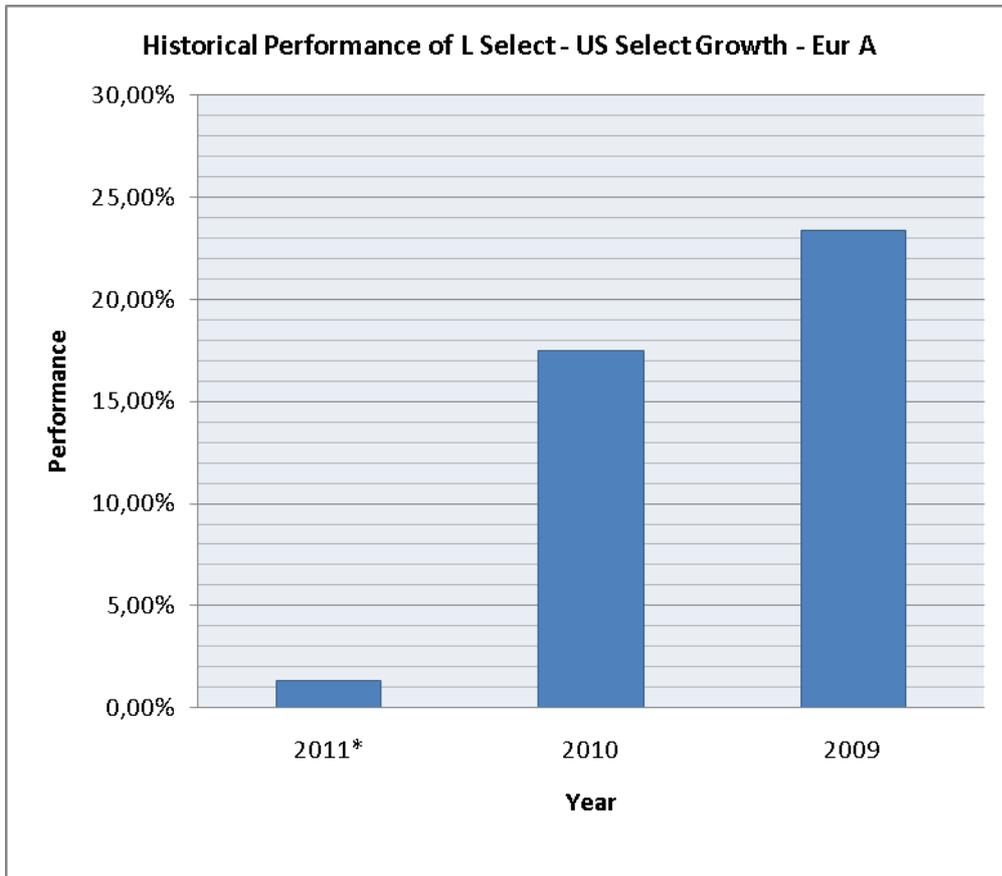
Conversion Fees: up to 1% for the sub-fund, category and/or class of shares redeeming the shares

Redemption Fees: None

The subscription/redemption/conversion lists are closed at noon at the latest on the day preceding calculation of the NAV. Settlement of subscriptions, redemptions and conversions shall be effected in the reference currency of the sub-fund, the category and/or the share class within five business days of calculation of the applicable NAV.

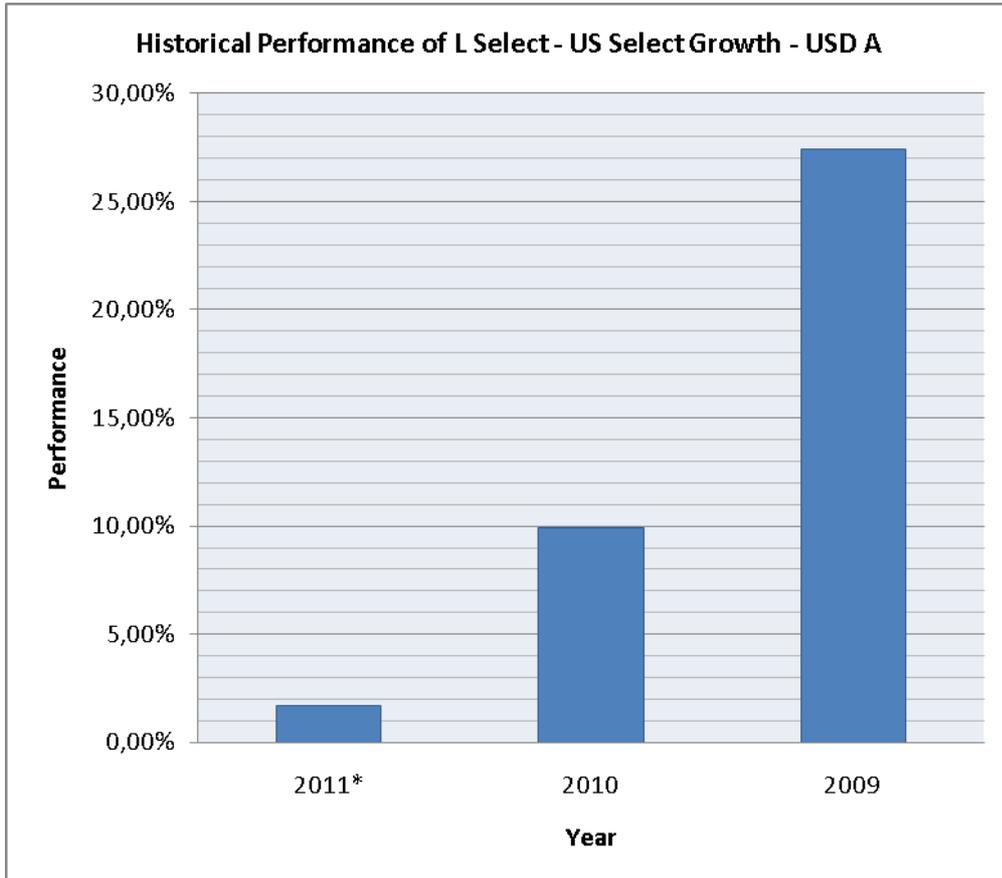
	Share A Eur
<b>2011*</b>	1.31%
<b>2010</b>	17.48%
<b>2009</b>	23.41%

\*As of November 30, 2011



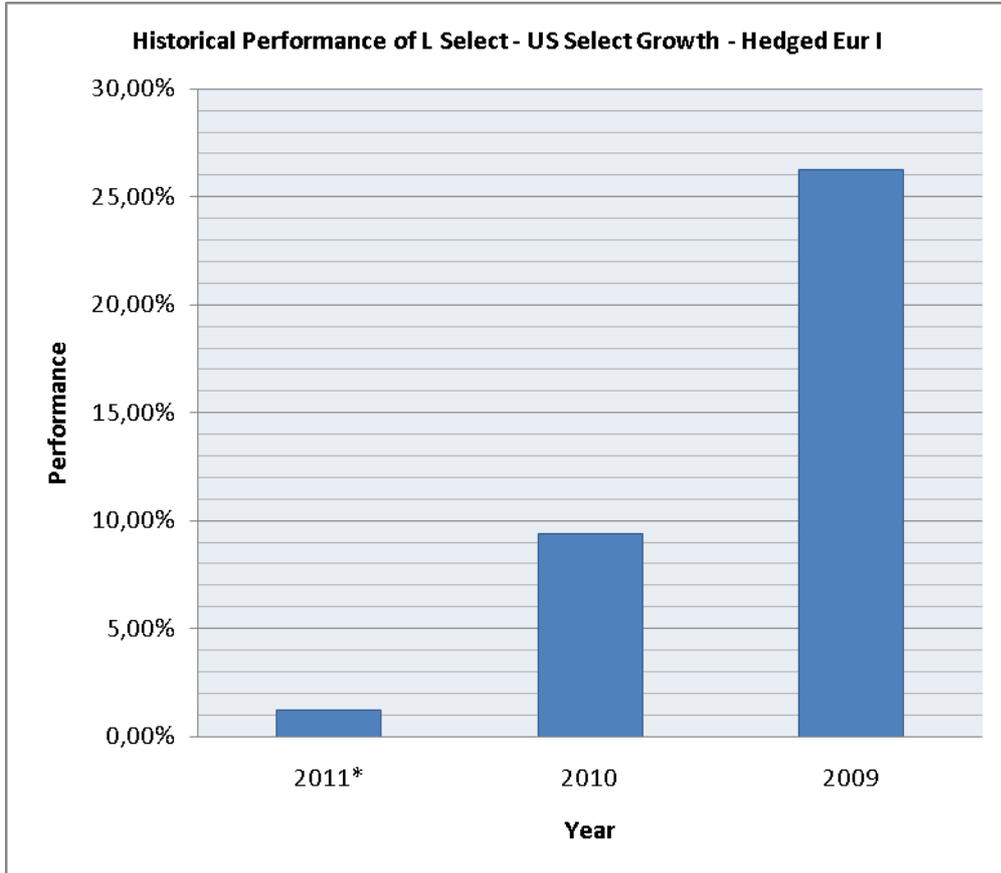
	Share A USD
2011*	1.69%
2010	9.94%
2009	27.39%

\*As of November 30, 2011



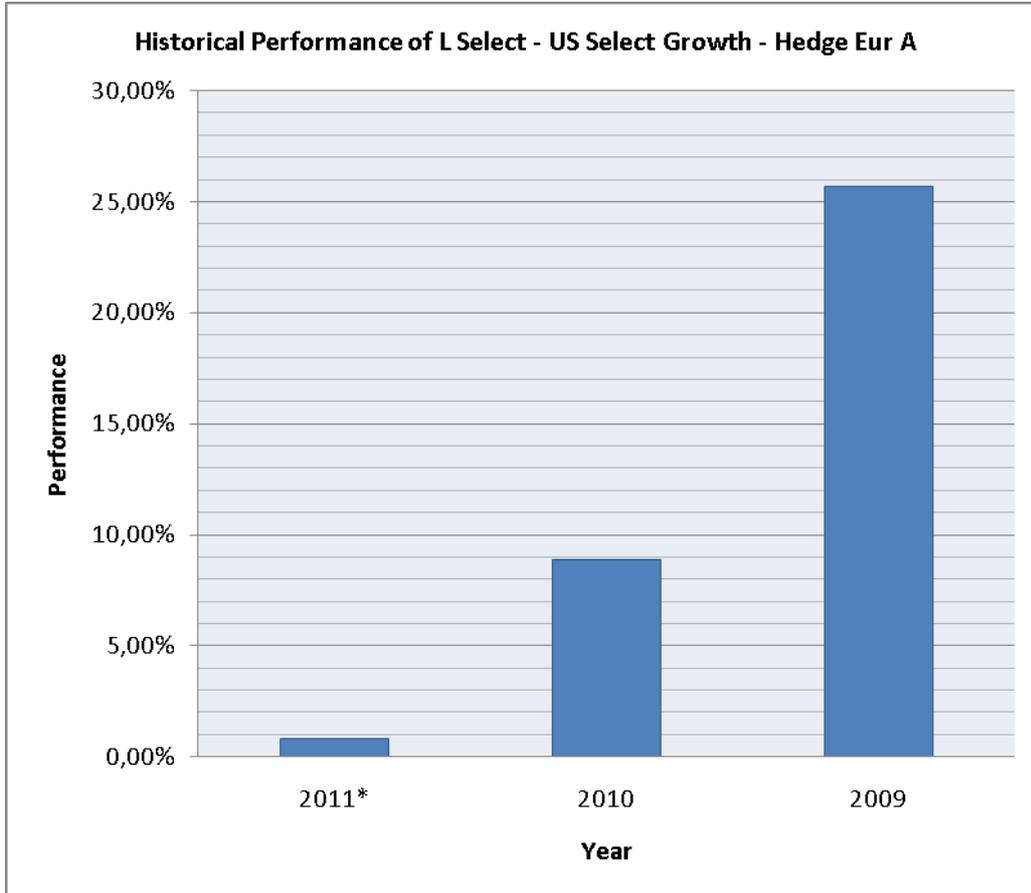
	Share I Hedged Eur
<b>2011*</b>	1.21%
<b>2010</b>	9.41%
<b>2009</b>	26.23%

\*As of November 30, 2011



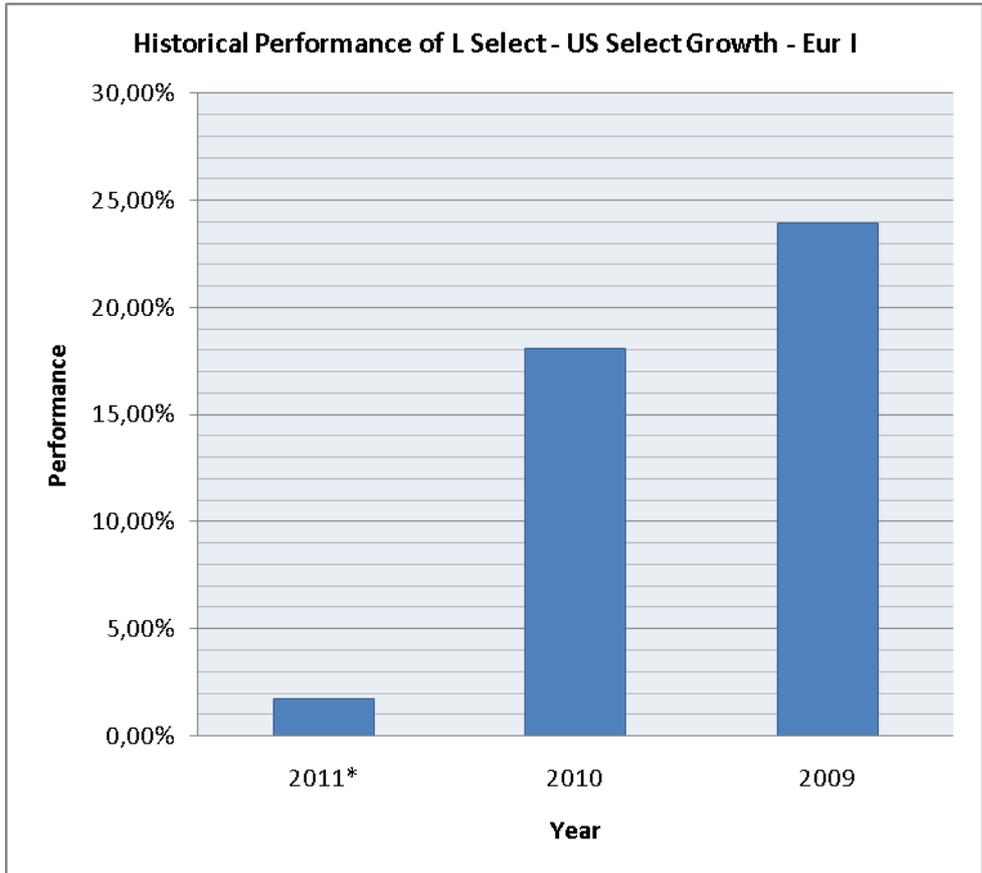
	Share A Hedged Eur
2011*	0.79%
2010	8.88%
2009	25.67%

\*As of November 30, 2011



	Share I Eur
<b>2011*</b>	1.73%
<b>2010</b>	18.09%
<b>2009</b>	23.96%

\*As of November 30, 2011



	Share I USD
<b>2011*</b>	2.10%
<b>2010</b>	10.42%
<b>2009</b>	27.95%

\*As of November 30, 2011

